

## For a fair and reciprocal transatlantic trade in wines and spirits

Faced with the return of customs duties, the FEVS proposes a positive agenda promoting fair and reciprocal access to wines and spirits by eliminating customs duties on both sides of the Atlantic

Paris, April 2, 2025 — Today, the United States announced its decision to apply a 20% ad valorem customs duty on all imports of goods from the European Union. The FEVS deeply regrets this decision by the United States, which penalizes both French wine and spirits exporters and their American partners—importers, wholesalers, and retailers—and, above all, American consumers themselves.

The United States' decision to apply a general 20% customs duty on all products imported from the European Union will have extremely serious consequences for the French and European wine and spirits' sector.

It will also have an extremely negative impact on American importers, wholesalers, and retailers, as demonstrated by the study commissioned by the Wine & Spirits Wholesalers of America (1).

In France, exports are expected to decline by approximately €800 million, with this figure dropping to €1.6 billion for the EU-27. Such a decline will have a huge impact on employment and the sector's economy.

"This tariff clash only creates losers, both in Europe and in the United States. Moreover, our American counterparts, with whom we have worked for decades, are also conveying this message to the American authorities," declared Gabriel Picard, President of the FEVS.

Deploring these measures taken by the United States, the Commission declared its readiness to engage in constructive dialogue with the United States, affirming that continued engagement and a positive approach constitute the best way forward to maintain a strong and mutually prosperous transatlantic trade relationship.

The FEVS emphasizes the importance of maintaining an open and constructive bilateral dialogue, focused on a positive agenda on transatlantic trade issues. "For thirty years, spirits have opted for the complete elimination of tariffs between the United States and the European Union, to the benefit of producers on both sides of the Atlantic," Gabriel Picard emphasizes. "We can do the same for wines: we have proposed a Reciprocal and Fair Trade Agreement on Wines and Spirits to the European Commission. We hope that the Commission will immediately include it in its positive agenda for discussions with the United States, so that, along with spirits, wines can contribute to building a positive trade relationship between the United States and the European Union."

(1) <u>Estimated Impact of Potential Tariffs on Beverage Alcohol Products.</u> John Dunham and Associates.